

**MINUTES OF MEETING**

**RHODE ISLAND AIRPORT CORPORATION**

**FINANCE AND AUDIT COMMITTEE**

**WEDNESDAY, JUNE 20, 2007**

**1:00 P.M.**

**IN THE CONFERENCE ROOM, 2220 SOUTH COUNTY TRAIL**

**EAST GREENWICH, RHODE ISLAND**

The meeting of the Rhode Island Airport Corporation (“Corporation”) Finance and Audit Committee was called to order by Chairman, Joseph Cianciolo, at 1:05 p.m., in the Conference Room, 2220 South County Trail, East Greenwich, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

**COMMITTEE MEMBERS PRESENT:** Joseph Cianciolo, Jim Forte.

**COMMITTEE MEMBER ABSENT:** Joseph Larisa.

**BOARD MEMBER PRESENT:** Robert D. Sangster.

**ALSO PRESENT:** Brian C. Schattle, Senior Vice President of Finance and Administration and CFO; Peter A. Frazier, General Counsel; Marci Greenberger, A.A.E., Senior Vice President of Operations and Maintenance; Doug Dansereau, Chief Auditor and Financial Analyst; Jason Doyle, Corporate Controller; and those individuals listed on the attendance sheet attached hereto.

**Mr. Cianciolo welcomed Mr. Sangster to the Committee Meeting.**

**1. Approval of the Minutes:**

**A motion was made by Mr. Cianciolo and seconded by Mr. Forte to approve the minutes of the Finance and Audit Committee of December 20, 2006. The motion was passed unanimously.**

**2. Report from Chief Auditor:**

**Mr. Dansereau provided a summary of audits that have recently been completed or are currently in progress. There was specific discussion of airport access fees for courtesy shuttles. Mr. Dansereau also provided an Audit Work Plan for 2008.**

**3. Report from Senior Vice President of Finance/CFO:**

**Mr. Schattle reported that his department is currently working on insurance renewals and he explained that there had been a detailed analysis of all coverages, including a full evaluation of property replacement costs, so that coverage and applicable deductibles could be adjusted as appropriate. Mr. Schattle noted that the results of the insurance review were contemplated during the renewal process and all appropriate adjustments to policies were made. There was specific discussion of the process to evaluate and select potential**

**environmental insurance.**

**Mr. Schattle reported that preliminary work is being done on the annual audit. Audited Financial statements need to be approved by the Auditor General by September 30, 2007. It is anticipated that the draft of the financial statements will be available in the first week of September 2007.**

**Mr. Schattle reported that both Northwest and Delta have come out of bankruptcy and he is working with appropriate representatives to recoup the Corporation's pre-petition debt.**

**Mr. Schattle gave a brief overview of a GO bond debt issue, and indicated that staff is working with the state's budget office to rectify the issue.**

#### **4. Action Item:**

##### **(a) Consideration of and Action Upon the Fiscal Year 2008 Budget.**

**Mr. Schattle gave an overview of the budget process, explaining that each department was asked to keep expenses to a minimum which included deferring hiring of several new personnel. Mr. Schattle highlighted specific line items focusing on revenues and operating expenses. It was noted that RIAC had met with the airlines to discuss the rationale for the increase in rates and charges. Committee**

**Members thanked Mr. Schattle, Mr. Doyle and the RIAC staff for their work in preparing the budget.**

**A motion was made by Mr. Forte and seconded by Mr. Cianciolo to approve the FY 2008 budget in substantially the form presented to the Committee, subject to the approval of the Board. The motion was passed unanimously.**

#### **6. Future Meetings:**

**The next meeting will be announced.**

#### **7. Adjournment:**

**Mr. Forte moved to adjourn at approximately 1:48 p.m. Mr. Cianciolo seconded the motion. The motion was carried by acclamation.**

**Respectfully submitted,**

**Joseph Cianciolo, Chairman  
Finance and Audit Committee of  
the Rhode Island Airport Corporation**

**ATTENDANCE SHEET**

**RHODE ISLAND AIRPORT CORPORATION**

**FINANCE AND AUDIT COMMITTEE MEETING**

**JUNE 20, 2007**

<b>NAME</b>	<b>AFFILIATION</b>
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<b>Bruce Wilde</b>	<b>RIAC</b>
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<b>Billy Cox</b>	<b>RIAC</b>
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<b>Nicole Williams</b>	<b>RIAC</b>
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<b>Robert Goff</b>	<b>New England Parking</b>
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<b>Bill Herendeen</b>	<b>Churchill and Banks</b>
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